#### **REMARKS**

Claims 38-66 are currently pending in this application. Claims 38, 51, and 56 have been amended. Claims 1-37 were previously canceled. Applicant respectfully requests reconsideration of the pending claims.

#### Claim Rejections - 35 U.S.C. § 112

The Examiner rejected Claims 51-66 under 35 U.S.C. § 112 as being indefinite because it is not clear what structure is set forth by "at least one blade being operable to ... generate a continuous slice in the web ... " in Claims 51 and 56.

Applicant has amended Claims 51 and 56 for clarification.

### Claim Rejections - 35 U.S.C. § 102

The Examiner rejected Claims 51-52, 54-57, and 65-66 under 35 U.S.C. § 102 as being anticipated by U.S. Patent No. 3,059,842 ("Wadey").

Wadey does not disclose the subject matter of amended independent Claim 51. Specifically, Wadey does not disclose an apparatus for cutting a moving web, the apparatus comprising a cutting assembly including a plurality of blades distributed along the axial length of the cutting assembly, the plurality of blades operable to independently extend and retract from the cutting assembly, at least one of the blades being operable to generate a slice in the web, the slice having a length less than a width of the web while at least one of the blades remains retracted during a full rotation of the cutting assembly, the slice being substantially transverse to the direction of movement of the web; and an opposing member positioned on the opposite side of the web.

Rather, Wadey discloses a rotating punch drum 10 to generate holes in a card 12. A plurality of punches 60 are contained within the drum 10. When the punch 60 receives a control signal, an elongated lower portion 19 of the punch 60 extends through a channel 21 in the drum 10 to create a hole in the card 12. The plurality of punch drums 10 do not generate a slice in the card 12. Furthermore, the card punch system of Wadey teaches away from generating a slice because only holes could be detected by the data processing system for which the card 12 is used. The data processing system reads data that is stored on the cards 12 based on the location and number of holes.

For these and other reasons, Wadey does not disclose the subject matter defined by independent Claim 38. Accordingly, independent Claim 38 is allowable. Dependent Claims 39-50 depend from independent Claim 38 and are allowable for the same and other reasons.

Wadey does not disclose the subject matter of amended independent Claim 56. Specifically, Wadey does not disclose an apparatus for cutting a web, the apparatus comprising a cutting assembly including a plurality of blades distributed along the axial length of the cutting assembly, each blade being operable to move from a first position to a second position, at least one of the blades being operable to move into the second position to generate a slice in the web, the slice having a length less than a width of the web while at least one of the blades remains in the first position during a full rotation of the cutting assembly; and a plurality of actuators, each actuator being connected to at least one blade to move the blade to the first position and the second position. As noted above, the plurality of punch drums 10 in Wadey do not generate a slice in the card 12, but rather generates holes.

For these and other reasons, Wadey does not disclose the subject matter defined by independent Claim 56. Accordingly, independent Claim 56 is allowable. Dependent Claims 57-66 depend from independent Claim 56 and are allowable for the same and other reasons.

The Examiner rejected Claims 38-39, 45-51, 53-58, and 62-66 under 35 U.S.C. § 102 as being anticipated by U.S. Patent No. 4,742,741 ("Hallberg").

Hallberg does not disclose the subject matter of amended independent Claim 38. Specifically, Hallberg does not disclose an apparatus for cutting a web, the apparatus comprising a cutting assembly having a length and including a plurality of independently actuated blades positioned along the axial length of the cutting assembly, at least one of the independently actuated blades being operable to generate a continuous slit in the web, the slit being substantially transverse to the direction of movement of the web, and at least one of the independently actuated blades remaining retracted during a full rotation of the cutting assembly.

Rather, Hallberg discloses a rotary sheeter 20 for cutting a moving web into segments. The rotary sheeter 20 includes an upper roll assembly 24 and a lower roll assembly 28. The roll assemblies 24, 28 each include an array of alternating cutter rolls 140, 144, 148, 152 and slot rolls 156, 160, 164, 168. The cutter rolls 140, 144, 148, 152 each include a blade 268 that extends the width of the rotary sheeter 20. Each cutter roll 140, 144, 148, 152 includes a single blade rather than the required plurality of blades arranged axially on the roll as required by Claim 38. In addition, the blade 268 on the cutter rolls 140, 144, 148, 152 is fixed in position and is not capable of retraction.

For these and other reasons, Hallberg does not disclose the subject matter defined by independent Claim 38. Accordingly, independent Claim 38 is allowable. Dependent Claims 39-50 depend from independent Claim 38 and are allowable for the same and other reasons.

Hallberg does not disclose the subject matter of amended independent Claim 51. Specifically, Hallberg does not disclose an apparatus for cutting a moving web, the apparatus comprising a cutting assembly including a plurality of blades distributed along the axial length of the cutting assembly, the plurality of blades operable to independently extend and retract from the cutting assembly, at least one of the blades being operable to generate a slice in the web, the slice having a length less than a width of the web while at least one of the blades remains retracted during a full rotation of the cutting assembly, the slice being substantially transverse to the direction of movement of the web; and an opposing member positioned on the opposite side of the web.

As noted above, each cutter roll 140, 144, 148, 152 includes a single blade rather than the required plurality of blades arranged axially on the roller. In addition, the blade 268 on the cutter rolls 140, 144, 148, 152 is fixed in position and is not capable of retraction. Furthermore, the blade 268 completely severs the web, i.e., cuts the entire width of the web.

For these and other reasons, Hallberg does not disclose the subject matter defined by independent Claim 51. Accordingly, independent Claim 51 is allowable. Dependent Claims 52-55 depend from independent Claim 51 and are allowable for the same and other reasons.

Hallberg does not disclose the subject matter of amended independent Claim 56. Specifically, Hallberg does not disclose an apparatus for cutting a web, the apparatus comprising a cutting assembly including a plurality of blades distributed along the axial length of the cutting assembly, each blade being operable to move from a first position to a second position, at least one of the blades being operable to move into the second position to generate a slice in the web, the slice having a length less than a width of the web while at least one of the blades remains in the first position during a full rotation of the cutting assembly; and a plurality of actuators, each actuator being connected to at least one blade to move the blade to the first position and the second position.

As noted above, each cutter roll 140, 144, 148, 152 includes a single blade rather than the required plurality of blades arranged axially on the roller. In addition, the blade 268 on the cutter rolls 140, 144, 148, 152 is fixed in position and is not capable of retraction. Furthermore, the blade 268 completely severs the web, i.e., cuts the entire width of the web.

For these and other reasons, Hallberg does not disclose the subject matter defined by independent Claim 56. Accordingly, independent Claim 56 is allowable. Dependent Claims 57-66 depend from independent Claim 56 and are allowable for the same and other reasons.

# Claim Rejections – 35 U.S.C. § 103

The Examiner rejected Claims 38-40, 43-44, 49-50, and 60-61 under 35 U.S.C. § 103 as being unpatentable over Wadey.

Wadey does not disclose the subject matter of amended independent Claim 38. More specifically, Wadey does not disclose an apparatus for cutting a web, the apparatus comprising a cutting assembly having a length and including a plurality of independently actuated blades positioned along the axial length of the cutting assembly, at least one of the independently actuated blades being operable to generate a continuous slit in the web, the slit being substantially transverse to the direction of movement of the web, and at least one of the independently actuated blades remaining retracted during a full rotation of the cutting assembly.

Rather, Wadey discloses a rotating punch drum 10 to generate holes in a card 12. A plurality of punches 60 are contained within the drum 10. When the punch 60 receives a control signal, an elongated lower portion 19 of the punch 60 extends through a channel 21 in the drum 10 to create a hole in the card 12. The plurality of punch drums 10 do not generate a continuous slit in the card 12. Furthermore, the card punch system of Wadey teaches away from generating a slit because only holes could be detected by the data processing system for which the card 12 is used. The data processing system reads data that is stored on the cards 12 based on the location and number of holes.

In addition, the subject matter of amended independent Claim 38 is not obvious. The Examiner indicates that "it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide a blade that is capable of generating a continuous slit in a web wherein the slit being substantially transverse to a moving direction of the web on the device of Wadey since the Examiner takes Official Notice on the use of transverse slit as old and well known in the art of data processing systems for the purpose of recording data on a record medium. Biegel and Edburg show examples."

Applicant respectfully disagrees. The data processing systems shown in Wadey, Biegel, and Edburg appear to require discrete punches or holes generated by a single punch mechanism. If the punches were replaced with blades to generate a slit in the paper, the data processing system would not be able to read the data intended for the individual punches. A slit

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would not be detected by the data processing system because there is no exposed opening in the paper for the data processing system to read.

For these and other reasons, Wadey does not disclose the subject matter defined by independent Claim 38. Accordingly, independent Claim 38 is allowable. Dependent Claims 39-50 depend from independent Claim 38 and are allowable for the same and other reasons.

Claims 43-44 depend from Claim 38 and are allowable for at least the reasons Claim 38 is allowable. Similarly, Claims 60-61 depend from Claim 56 and are allowable for at least the reasons Claim 56 is allowable.

The Examiner rejected Claim 59 under 35 U.S.C. § 103 as being unpatentable over Hallberg.

Claim 59 depends from Claim 56 and is allowable for at least the reasons Claim 56 is allowable.

# Allowable Subject Matter

The Applicant appreciates the Examiner's indication that Claims 41-42 are allowed.

#### **CONCLUSION**

In view of the foregoing, allowance of the application is respectfully requested. The undersigned is available for telephone consultation during normal business hours.

Respectfully submitted,

Julie A. Haut

Reg. No. 51,789

Docket No. 035170-9002-02 Michael Best & Friedrich LLP 100 East Wisconsin Avenue Suite 3300 Milwaukee, Wisconsin 53202-4108 414.271.6560